



## **SURFACE TRANSPORTATION BOARD**

**[Docket No. FD 36674]**

### **Ottawa Northern Railroad LLC—Acquisition and Change in Operator**

#### **Exemption—Midland Historical Railway Association**

Ottawa Northern Railroad LLC (ONR), a noncarrier, has filed a verified notice of exemption under 49 CFR 1150.31 to acquire and operate as a common carrier over approximately 11.09 miles of rail line owned by the Midland Historical Railway Association (MHRA) between milepost 14.95 near Baldwin City, Kan., and milepost 26.04 at Ottawa, Kan. (the Line).

This transaction is related to a concurrently filed verified notice of exemption in Chicago Rock Island & Pacific Railroad—Continuance in Control Exemption—Ottawa Northern Railroad, Docket No. FD 36675, in which ONR's parent company, Chicago Rock Island & Pacific Railroad LLC, seeks to continue in control of ONR upon ONR's becoming a Class III rail carrier.

According to the verified notice, ONR and MHRA have reached an agreement pursuant to which ONR will acquire the Line and, upon consummation of the acquisition transaction, replace Leavenworth, Lawrence & Galveston Railroad d/b/a the Baldwin City & Southern Railroad Company (BC&S) as the common carrier service provider on the Line.<sup>1</sup> The verified notice indicates that MHRA controls BC&S and that BC&S does not object to the proposed transaction by which it would be replaced by ONR as operator on the Line.

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<sup>1</sup> ONR notes that Midland Railroad LLC secured permissive authority to acquire the line and operate it in place of BC&S in Midland Railroad—Acquisition & Change in Operator Exemption—Midland Historical Railway Ass'n, FD 36640 (STB served Sept. 15, 2022), but did not undertake the authorized transaction and has sought permission from the Board to withdraw its notice of exemption in that docket.

ONR certifies that the agreement governing the proposed transaction does not have an interchange commitment. ONR further certifies that its projected annual revenues will not exceed \$5 million and will not result in ONR's becoming a Class I or Class II rail carrier. Under 49 CFR 1150.32(b), a change in operator requires that notice be given to shippers. ONR states that there are currently no customers on the Line, and accordingly, no shippers to notify of the transaction.

The earliest this transaction may be consummated is March 29, 2023. ONR states that it expects to consummate its acquisition of, and commence common carrier operations over, the Line on or after that date.

If the verified notice contains false or misleading information, the exemption is void ab initio. Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the effectiveness of the exemption. Petitions for stay must be filed no later than March 22, 2023 (at least seven days before the exemption becomes effective).

All pleadings, referring to Docket No. FD 36674, must be filed with the Surface Transportation Board either via e-filing on the Board's website or in writing addressed to 395 E Street, S.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on ONR's representative, Bradon J. Smith, Fletcher & Sippel LLC, 29 North Wacker Drive, Suite 800, Chicago, IL 60606.

According to ONR, this action is categorically excluded from environmental review under 49 CFR 1105.6(c) and from historic preservation reporting requirements under 49 CFR 1105.8(b).

Board decisions and notices are available at [www.stb.gov](http://www.stb.gov).

Decided: March 9, 2023.

By the Board, Scott M. Zimmerman, Acting Director, Office of Proceedings.

**Tammy Lowery,**

*Clearance Clerk.*

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